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## **Here is the Newest Credit Card Scam!**

Did you know that every 75 seconds someone's Identity is stolen? Public Service Credit Union would like to educate you against Identity Theft. Please take a moment to read this article to help prevent this from happening to you.

Person calling says - 'This is (name) and I'm calling from the Security and Fraud Department at VISA. My Badge number is 12460, your card has been flagged for an unusual purchase pattern, and I'm calling to verify. This would be on your VISA card which was issued by (name of bank). Did you purchase an Anti-Telemarketing Device for \$497.99 from a marketing company based in Arizona? When you say 'No', the caller continues with, 'Then we will be issuing a credit to your account. This is a company we have been watching, and the charges range from \$297 to \$497, just under the \$500 purchase pattern that flags most cards. Before your next statement, the credit will be sent to (gives you your address). Is that correct?' You say 'yes'.

The caller continues - 'I will be starting a Fraud Investigation. If you have any questions, you should call the 1- 800 number listed on the back of your card (1-800-VISA) and ask for Security. You will need to refer to this Control Number. The caller then gives you a 6 digit number. 'Do you need me to read it again?'

Here's the IMPORTANT part on how the scam works - The caller then says, 'I need to verify you are in possession of your card'. He'll ask you to 'turn your card over and look for some numbers'. There are 7 numbers; the first 4 are part of your card number, the last 3 are the Security Numbers that verify you are the possessor of the card. These are the numbers you sometimes use to make Internet purchases to prove you have the card. The caller will ask you to read the last 3 numbers to him. After you tell the caller the 3 numbers, he'll say, 'That is correct, I just needed to verify that the card has not been lost or stolen, and that you still have your card. Do you have any other questions?'

After you say no, the caller then thanks you and states, 'Don't hesitate to call back if you do', and hangs up. You actually say very little, and they never ask for or tell you the card number. But after we were called on Wednesday, we called back within 20 minutes to ask a question. We were glad we did! The REAL VISA Security Department told us it was a scam and in the last 15 minutes a new purchase of \$497.99 was charged to our card. We made a real fraud report and closed the VISA account. VISA is reissuing us a new number. What the Scammer wants is the 3-digit PIN number on the back of the card. Don't give it to them. Instead, tell them you'll call VISA or Master Card directly for verification of their conversation.

The real VISA told us that they will never ask for anything on the card, as they already know the information, since they issued the card! If you give the Scammer your 3 Digit PIN Number, you think you're receiving a credit. However, by the time you get your statement you'll see charges for purchases you didn't make, and by then it's almost too late and/or more difficult to actually file a fraud report.

What makes this more remarkable is that on Thursday, I got a call from a 'Jason Richardson of MasterCard' with a word-for-word repeat of the VISA Scam. This time I didn't let him finish. I hung up! We filed a police report, as instructed by VISA. The police said they are taking several of these reports daily! They also urged us to tell everybody we know that this scam is happening. I dealt with a similar situation this morning, with the caller telling me that \$3,097 had been charged to my account for plane tickets to Spain, and so on through the above routine.

To keep up with the most recent Fraud Alerts, go to [www.PSCUnow.com](http://www.PSCUnow.com).

## Save up to \$15 on TurboTax®

This year, accomplish something you never thought possible – do your own taxes. With TurboTax, you can be confident they'll be done right. Plus, with Public Service Credit Union you can **save up to \$15** on TurboTax federal products.

- **No tax knowledge needed.** TurboTax translates taxes into simple questions about your life, and puts your information in the right places for you.
- **Double checks as you go.** TurboTax coaches you every step of the way and automatically double checks your return for errors.
- **You're never alone.** If you have questions, TurboTax has answers and is ready to help.

As always, with TurboTax you're guaranteed to get your maximum refund – or your money back.<sup>1</sup> **Get started with TurboTax today and save!**

### **TurboTax Disclaimer:**

1 Maximum (Biggest) Refund Guaranteed or Your Money Back: If you get a larger refund or smaller tax due from another tax preparation method, we'll refund the applicable TurboTax or SnapTax federal and/or state purchase price paid. TurboTax Online Federal Free Edition customers are entitled to payment of \$14.99 and a refund of your state purchase price paid. Claims must be submitted within sixty (60) days of your TurboTax or SnapTax filing date and no later than 6/15/14. Efile, Audit Defense, Ask a Tax Expert, Refund Transfer and technical support fees are excluded. This guarantee cannot be combined with the TurboTax Satisfaction (Easy) Guarantee.



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## Saving for Two: Balancing Your Kids' College and Your Own Retirement

You want them to have a successful future, but you have a future of your own, too

You know that saving for your retirement is important, and you want to make sure you're not a burden on your children when your prime earning years are behind you. At the same time, you want to make sure your kids have the best start they can in the working world, and that they have the opportunities a college education provides.

So where should your savings be going first? Should you be funding a 401k or a 529?

"Unless your retirement plan is for your children to take care of you, retirement funding must come before education funding," says senior financial adviser Rick Lowe.

Lowe's opinion reflects a pretty clear consensus amongst personal wealth and finance experts. It might sound selfish, but think about it: if you don't fund your own retirement, you'll be counting on someone else to fund it for you, and chances are that someone will be your kids. Being a little "selfish" now will make things easier for everyone down the road.

Strange as it sounds, making sure your retirement accounts are well-funded now can help when it comes time to pay for college. Your assets are a big factor when it comes to determining the financial aid your children will receive; having money in the right retirement accounts will increase your kids' eligibility for scholarships, grants and favorable loans.

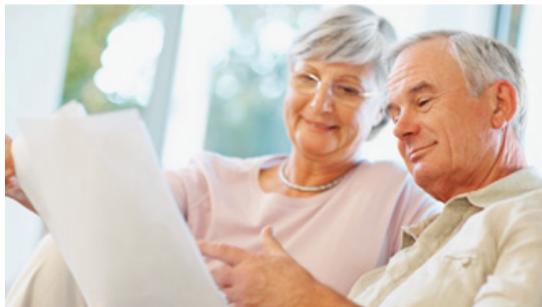
"You are supposed to cough up roughly 5% of your net worth every year towards college costs, in addition to a large piece of your paycheck," says Forbes' William Baldwin. "In the asset calculation the aid formulas have a surprisingly light touch on retirement: they exempt accounts like IRAs and 401ks... While tucked away in a retirement account, your assets are protected from both the tax man and the college bursar."

That doesn't mean you can't save for both college and retirement, but unless your kids are already teens, you shouldn't be saving for college unless you've maxed out your retirement contributions. The right retirement account can also provide a source of backup funding for college.

"The portion of [an IRA] distribution used for qualified higher education expenses is exempt from the 10% early distribution penalty," says financial aid expert Mark Kantrowitz. "Qualified higher education expenses include tuition, fees, books, supplies and equipment, as well as room and board if the student is enrolled at least half time in a degree program."

If you're expecting to start paying college tuition in the next five years or so and you've been good about funding your retirement accounts, start socking some savings into a 529. As expensive as college is, your retirement is going to cost considerably more, and the tax benefits of retirement savings will put you and your kids in a better position to pay for college anyway.

You have to save yourself—or in this case, save *for* yourself — before you can save for others. Make sure you'll be taken care of in your retirement years, and your kids will thank you for it.



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**NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**  
**NOT GUARANTEED BY THE FINCNIAL INSTITUTION**  
**MAY GO DOWN IN VALUE**





## PSCU's Monthly Newsletter

### Holiday Hours

**Monday, February 17th**  
All Branches of  
Public Service Credit Union  
will be **closed** in observance of  
Presidents' Day

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## PSCU's Monthly Newsletter

### Black History Month

#### 2014 Theme: Civil Rights in America

##### 50th Anniversary of the 1964 Civil Rights Act

The Association for the Study of African American Life and History has selected *Civil Rights in America* to mark the 50th anniversary of the 1964 Civil Rights Act.

"The history of civil rights in the United States is largely the story of free people of color and then African Americans to define and enumerate what rights pertain to citizens in civil society. It has been the history of enlisting political parties to recognize the need for our governments, state and federal, to codify and protect those rights. Through the years, people of African descent have formed organizations and movements to promote equal rights. The Colored Convention Movement, the Afro-American League, the Niagara Movement, the National Council of Negro Women, and the Southern Christian Leadership Conference carried the banner of equality when allies were few. In the modern era, integrated organizations such as the National Association for the Advancement of Colored People, the National Urban League, and the Congress of Racial Equality fought for and protected equal rights. The names of America's greatest advocates of social justice—Frederick Douglass, W. E. B. Du Bois, Martin Luther King, Jr., and Fanny Lou Hamer — are associated with the struggle for civil rights."

~ 99th Annual ASALH Convention

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## Your Financial Future



### MARKET INSIGHT

#### Your Guide to Life Planning

February 2014



Making a positive impact on as many lives as I can.

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#### Outlook 2014: The Investor's Almanac

Dear Valued Investor,

A farming almanac is an annual publication containing a guide for the coming year and a forecast of the times and statistics of events and phenomena important to growing. Farmers' almanacs have been a source of wisdom, rooted in the core values of independence and simple living, for American growers for over 200 years. To help you plan for what lies ahead, we are pleased to bring you our *Outlook 2014: The Investor's Almanac*. We hope our almanac will prove to be a trusted guide to the coming year filled with a wealth of wisdom for investors.

In the coming year, there are many reasons investors can return to the basics of growing and preserving their portfolios and spend less time gauging the actions of policymakers, including:

- After two "clean" lifts to the debt ceiling since 2011, which ensured any risk of default on Treasury obligations was avoided, we are unlikely to see concessions in exchange for a third increase in 2014-making a high stakes fiscal battle unlikely.
- The Fed is likely to begin to taper its bond-purchase program, known as quantitative easing (QE), early in 2014, signaling a commitment to reducing its presence in the markets and transitioning to a post-QE environment.
- Europe is emerging from recession, which means less need for direct life support from the European Central Bank or painfully austere fiscal policy as deficit targets are eased.

The economy and markets becoming more independent of policymakers while growth accelerates is likely to bolster investor confidence in the reliability and sustainability of the investing environment.

Key components of LPL Financial Research's 2014 outlook are:

**U.S. economic growth may accelerate to about 3% in 2014 after three years of steady, but sluggish, 2% growth.** Our above-consensus annual forecast is based upon many of the drags of 2013 fading, including U.S. tax increases and spending cuts and the European recession, and growth accelerating from additional hiring and capital spending by businesses. After all, in the past three years, weakness in government spending subtracted about 0.5% each year from gross domestic product (GDP) growth. Just adding that 0.5% back to GDP in 2014 would, by itself, make a material difference in achieving 3% growth in 2014.

**Bond market total returns could likely be flat as yields rise with the 10-year Treasury yield ending the year at 3.25-3.75%.** Our view for yields to rise beyond what the futures market has priced in warns of the risk in longer maturity bonds and our preference for shorter-term and credit-oriented sectors of the bond market. High-yield bonds and bank loans are two sectors that have historically proven resilient and often produced gains during periods of rising interest rates. In 2013, both sectors were among the leaders of bond sector performance during a year of higher interest rates. Historically, longer-term bond yields have tended to track the change in GDP growth when unleashed from Federal

Reserve actions. Our expectation for a 1% acceleration in U.S. GDP over the pace of 2013 suggests a similar move for the bond market.

**Stock market total returns could likely be in the low double digits (10-15%).** This gain is derived from earnings per share for S&P 500 companies growing 5-10% and a rise in the price-to-earnings ratio (PE) of about half a point from 16 to 16.5. The PE gain is due to increased confidence in improved growth allowing the ratio to slowly move toward the higher levels that marked the end of every bull market since WWII. As 2014 gets underway, the one-, three-, and five-year trailing annualized returns may all be in the double digits for the first time this business cycle. Our analysis of history shows that it is the five-year return that individual investors tend to chase, based on net inflows to U.S. stock funds. This may prompt many investors to reconsider the role of stocks in their portfolios, especially as interest rates rise and bond performance lags.

In 2014, there may be more all-time highs seen in the stock market and higher yields in the bond market than we have seen in years as economic growth accelerates. The primary risk to our outlook is that better growth in the economy and profits does not develop. That risk is likely to be much more significant than the distractions posed by Fed tapering and mid-term elections. We believe it will be safe in 2014 to again tune out much of the antics in Washington, D.C. as the mid-term elections turn up the volume, but not the impact. In the near term, Washington may be washed up when it comes to driving the markets.

For additional insights, the comprehensive *Outlook 2014: The Outlook 2014: The Investor's Almanac* is enclosed for your review. As always, if you have questions, I encourage you to contact me.

Please click here for the ***Outlook 2014: The Investor's Almanac***.

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*Stock investing involves risk including loss of principal.*

*Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values and yields will decline as interest rates rise and bonds are subject to availability and change in price.*

*High yield are subject to higher interest rate, credit, and liquidity risks than those graded BBB and above. They generally should be part of a diversified portfolio for sophisticated investors.*

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*The Standard & Poor's 500 Index is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.*

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## Best Ways to Grow a Savings Account

### Easy ways to become an effective saver

If you have a savings account or are thinking about opening one, it's apparent that one of your biggest priorities is already saving money. And that means you're looking for the best ways to keep that money coming in and watching your savings grow.

Whether you're saving for something big like a car or down payment for a house, or you're just securing your resources in the event you need extra cash, follow these tips for the best ways to grow your savings account, and ultimately, help you financially in the future.

**1. Portion your paycheck.** For each paycheck you receive, allot a certain amount of it specifically for your savings account. And adding it to your savings account right away ensures that you'll get in the full amount you set aside.

"Paying yourself first clears the biggest hurdle for saving, which is simply not being in the habit of saving," said Greg McBride, CFA, senior financial analyst for Bankrate. "It takes care of saving money before you have a chance to spend it."

If you're having trouble remembering to put the money in, or you're fighting willpower to keep it all in your checking account, you can schedule automatic payments to go into your savings account.

**2. Try not to transfer.** It's a good idea to keep your savings account off limits, even to yourself. Tell yourself if you really want that new phone or motorcycle, your savings account is unattainable. One way to keep from transferring is to label your accounts.

"Labeling the various accounts with a specific name that reminds the account holder of what they are saving for can help deter them from withdrawing money from that account and subsequently spending it," says Diane Morais, deposits and product integration executive at a financial institution in Charlotte, NC.

**3. Take advantage of technology.** It can be expensive to hire a personal financial adviser — so just download one instead. Nowadays, there are lots of apps to help you save, one of them being SavedPlus. This free app allows you to pick a savings amount that automatically transfers to your account once you make a purchase. For example, say you set your savings to 10 percent. When you purchase \$100 worth of groceries or clothing or whatever else, 10 percent of your money will automatically transfer from your checking account to your savings. Also try account alerts, which sends messages to your phone letting you know how much is in your savings at the end of each month. Also, if the balance goes below a certain amount, this system will warn you.

**4. Watch for fees.** When opening your account, be sure to ask questions and find out if there are any fees being deducted each month or year, or if there is a minimum-balance fee.

"You need to watch for fees," warns Bill Pratt, a financial instructor at East Carolina University and the author of *The Graduate's Guide to Life and Money*. "[Some institutions] are starting to charge more fees for moving your money around ..., and some accounts charge a fee if you don't maintain a certain balance."

**5. Discipline yourself.** The ultimate way to keep your money in your savings account growing is not to touch it unless needed or using it for something you've saved for. Add to it when you can, and soon enough, you'll see your dollars multiplying, allowing you to be able to afford what you're wishing.

"You really have to know yourself and discipline yourself if you're going to be an effective saver," says McBride.

Stop by today and let us help you get started on the road to savings.



